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ORIGINAL: ENGLISH

WORKING GROUP ON NATIONAL ACCOUNTS

Organized jointly by the Economic Commission  
for Latin America and the United Nations  
Statistical Office with the co-operation of  
the Bureau of Technical Assistance Operations  
Santiago, Chile, 8 to 17 November, 1965

ADAPTATION OF THE PROPOSED REVISED SNA FOR  
LATIN AMERICAN COUNTRIES

prepared by

the United Nations Statistical Office

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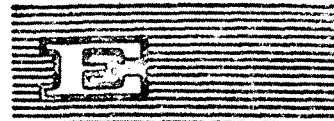
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## I. INTRODUCTION

1. This paper sets out a proposal for adapting the system of accounts and tables outlined in A System of National Accounts (Proposal for the Revision of SNA, 1952), E/CN.3/320, to the circumstances of developing countries.

2. It was recognized in that document that while the full system of accounts and tables provided suitable goals for national accounting and statistical advancement in these countries, it needed to be accommodated to their present stage of economic and statistical development. Accommodations are required from the point of view of the structural aspects of the economy and the choice of policy instruments that characterize a number of developing countries, as well as from the point of view of the statistics which are available.

3. In view of the spectrum of statistical development presented by the developing countries and the fact that the full system seems to provide suitable ultimate goals, the accommodation in terms of available statistics is approached in this paper by way of suggesting broad orders of priority for compiling the various accounts and tables of the system. The criteria of the general availability of the required basic data, the relative difficulties of gathering these data and the urgency with which the national accounting series are required, served as guidelines in suggesting the orders of priority.

4. However, the special structural circumstances of a number of developing countries involved the introduction of some new classifications, the detailing of other classifications, and the extension of some of the tables and accounts of the system. The changes proposed reflect mainly the coexistence in the economies of the developing countries of markedly different levels of technology and economic advancement, the differences in degree of economic diversification between the developing and developed countries, and the strategic importance of certain problems and activities in the case of the developing countries.

5. Such circumstances will vary from one developing country to another; and some of the special features proposed in this paper will apply to certain countries more than to others. The adaptation of the revised SNA proposed in this paper is therefore designed to furnish a suitable framework within which each developing country may devise its own system of accounts and tables. For example, the special accounts proposed in this paper might not be needed in the case of some developing countries.

6. The adaptation of the proposed SNA is restricted to the parts of the system that were delineated in document E/CN.3/320 in the form of detailed accounts and tables. Thus national and sector balance sheets, income distribution statistics, and systems of labour, demographic and social statistics are not dealt with in this paper. As work proceeds on

/these subjects,

these subjects, account will be taken of the circumstances in the developing countries and adaptations may be needed of the over-all proposals. The entire system of national accounting as it emerges from the review, would then be dealt with in a revised version of the publication, A System of National Accounts and Supporting Tables, and a detailed manual.

7. In formulating the adaptation, as well as in designing the full system, account was taken of the experience of developing countries in national accounting and of the international discussions of this subject. The main international discussions on the subject have been 1/: (i) Meetings of the working groups on national accounts in Africa since 1961; (ii) United Nations Seminar on National Accounts for Latin America in Rio de Janeiro in 1959; (iii) Seminar on National Accounts in the ECAFE region in Bangkok in 1964; and (iv) Meetings of working and expert groups on various aspects of national accounting convened by the Conference of European Statisticians. In their present adaptation, use was also made of changes in the full system proposed in document E/CN.3/320 that have resulted from the discussions of the Working Group on National Accounts and Balances in Europe, the thirteenth session of the Statistical Commission and the very recent Working Group on the Adaptation of the Revised SNA to Africa. The discussions of the African meeting also provided the basis for a number of the adaptations in the full system suggested in this paper.

8. This paper is designed to be read in conjunction with document E/CN.3/320. Though the full set of proposed accounts and tables is annexed to this paper, unless otherwise indicated, the concepts, classifications and so on, are those given in document E/CN.3/320. The circumstances of the developing countries which lead to the adaptation of the over-all system proposed in this paper are discussed in the next chapter. The extensions and modifications suggested in schemes of classification and concepts are outlined in Chapter III; and the proposed system of adapted accounts and tables and the order of priority for compilation, are dealt with in Chapter IV.

## II. NATIONAL ACCOUNTING REQUIREMENTS IN DEVELOPING COUNTRIES

9. Economies in transition, as in the case in the developing countries, have special requirements in the field of national accounting. These requirements arise from the economic and social structures which characterize the developing countries and the rapid changes taking place in these circumstances; the approaches, policy instruments and techniques chosen in order to bring about economic and social advancement; and their statistical and accounting situation.

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1/ Some of the papers and proceedings of these meetings are listed in Annex III.

## A. Planning

10. Most, if not all, developing countries have adopted systematic planning in order to further economic and social development. Whatever the economic and social policy of a developing country may be, it is in most cases formulated through a planning or similar agency. Considerable diversity is encountered in the scope, purposes and instruments of these plans; but they all have in common the need for a considerable amount of information so that account may be taken of the existing resources and goals, the way in which the economy functions and the results of the development efforts.

11. The demands for data from planning agencies are connected with the design and execution of development plans and with the observation of results attained. These demands relate to data at various levels of detail, stocks and flows, real and financial statistics, and current and constant price estimates. While some of the more specific requirements, for example, the details necessary for evaluating projects, can hardly be incorporated into a standard system of national accounting, the system proposed in document E/CN.3/320 seems suited for adaptation to meet most of the requirements for data in planning development. For example, planning requires to an increasing extent detailed industrial and commodity data; and the deconsolidated industrial and commodity production accounts which have been introduced into the proposed revised SNA meet these requirements.

12. In more general terms, the types of adaptation needed in the system set out in document E/CN.3/320 are best reviewed in the light of the basic economic and social circumstances that prevail in all, or most of, the developing countries and the approaches adopted in furthering development.

## B. Natural and human resources

13. The endowment in natural resources usually has a more decisive bearing on the economic structure and growth of developing countries than is the case in the already developed areas. This calls for giving more attention to statistics relating to natural resources such as land and mineral deposits.

14. Statistics on existing resources of course relate to stocks rather than flows. The SNA therefore fell short in this respect, but the proposed revised SNA extends the system to accounting for stocks. In Part I of document E/CN.3/320 accounting for stocks is distinguished from accounting for flows; and in a corresponding fashion, accounts and tables on stocks (inventories) would be distinguished from those on flows. In the part of document E/CN.3/320 dealing with stocks, a distinction is made between reproducible tangible assets, non-reproducible tangible assets, intangible assets matched by liabilities, and other intangible assets. The items of interest here are land and mineral resources. Land is explicitly introduced in the system as a non-reproducible asset; and it is indicated that land might be interpreted to include mineral wealth. In view of the importance of mineral wealth in development, such an interpretation should be followed in the case of the developing countries.

15. The serious difficulties involved in valuing land and mineral wealth are well known and are compounded where market transactions are infrequent or non-existent. Inventory tables might of course be introduced into the system in purely physical terms, but additions should be integrated into the system so as to preserve its articulation. This will be accomplished when the national and sector balance-sheet accounts and tables; covering land among other items, that are to be included in the system, are specified. As part of the further work of reviewing the SNA, the problems of valuing real and financial assets and liabilities will be explored with a view to specifying these accounts and tables.

16. A similar situation is faced in the case of human resources. Demographic, labour and other social statistics presented in a form that would facilitate defining the relationship with the elements of the economic and social situation already encompassed in the accounts and tables of the system, are urgently required in the case of the developing countries. In these countries, the size, age distribution and other characteristics of the population, the rural exodus and rapid urbanization, and the changes taking place in social institutions and habits, have a marked influence on the pace and direction of development. The urgency of integrating such statistics within the accounting system is corroborated by the fact that such work is already under way in some developing countries; and has been emphasized by the Expert Group on the revision of the SNA and the conclusion of the thirteenth session of the Statistical Commission. A beginning has been made on this work by including a table on employment in the system; and the further work of extending the SNA will include study of ways of coordinating, or integrating to the extent possible, the full range of demographic, labour and other social statistics with the accounts and tables of the revised SNA.

#### C. Existing Capital

17. In addition to natural and human resources, the extent and composition of capital, in the usual meaning of the word, has a decisive influence on the level and rate of growth of the economy. Many of the analytical studies undertaken as part of economic planning and related activities depend on statistical estimates of capital. One of the important innovations in the proposed revised SNA is precisely the incorporation of complete national and sector balance-sheets into the conceptual system. The compilation of national and sector balance sheets would depend more heavily on accounting information, as contrasted with statistical data, than other parts of the national accounts. This would add to the problems of the developing countries in compiling the accounts since the accounting practices of enterprises are far from standard.

18. A distinction between the "real" and "financial" aspects of the accumulation of capital is emphasized in the proposed revision of the SNA. In the case of the "real" aspects, attention centers on the physical assets themselves; in the case of the "financial" aspects, the financial transactions connected with accumulation are of primary interest. At the

present stage of development and practice in the developing countries, data on the "real" aspects of the accumulation of capital are probably more urgently required and perhaps more feasible to compile. A number of countries have been experimenting with the Perpetual Inventory approach to the compilation of useable data on the value of the stock of fixed assets - i.e., use of benchmark (census) data on the stock in combination with current estimates of fixed capital formation. Censuses of the stock of fixed assets may furnish acceptable information on the type and distribution of fixed assets but involve complex questions in order to gather meaningful data on the value of fixed assets. In the developing countries, estimates of fixed capital formation are often made from a combination of statistics on imports, current construction activities and domestic output of manufactures. In utilizing import statistics, transport, distribution and installation margins of course need to be added; and distributions of imports of fixed assets according to industrial destination are necessarily rough. Current construction statistics are likely to be incomplete as neither building licenses nor direct returns from construction enterprises cover the totality of construction. Nonetheless, the Perpetual Inventory approach probably offers the most fruitful basis for developing useable data on the stock of fixed assets.

#### D. Uneven development

19. A basic characteristic of developing countries is the existence of what is sometimes called "dualism" - i.e., the simultaneous existence of widely differing arrangements for and modes of production. Development, especially where accelerated, does not manifest itself in a uniform fashion throughout the economy. Some parts of the economy drive forward very rapidly; other parts lag behind and still other segments of the economy stagnate or wither away. Thus markedly differing modern and traditional, dynamic and stagnant productive units exist side by side. The technology, productivity and juridical status of these units and the income levels, modes of carrying on economic activity and attitudes of the people concerned, differ to such an extent that they in fact represent drastically differing, very loosely connected economies. Frequently these differences are regional in character, for example, between the urban and rural areas.

20. Many of these differences will reflect the type and size of the market served by productive units; i.e., the world market, national market, local market or no market at all. For example, the export industries of a developing country which compete in the world market and have a profound influence on the rest of the economy, might be considered to be the key segment of the economy. The industrial and agricultural producers that supply the nation as a whole are also likely to contribute to, and reflect, the development taking place in the economy. The small manufacturing units or artisans especially in rural areas, and agriculturists supplying local needs may form a stagnant segment; and productive activities carried on in rural areas which are primarily subsistence in character, are likely to wither away.

21. The distinctions between groups that have been drawn above are not easily translated into workable criteria of classification, particularly in the case of units serving the national market and those serving local markets. A great deal of overlapping may occur between the two groups. In this paper, the former units and the highly developed export industries are treated as "modern" and the latter units and subsistence activities are considered to be "traditional". The criteria for distinguishing between the two categories are based primarily on the technology and size of the productive units.

22. The distinction between modern and traditional does not however solve the statistical difficulties of utilizing detailed industrial classifications arising from the lack of specialization that characterizes many developing economies. Activities carried out in the same traditional-type unit will tend to trespass boundaries in an industrial classification scheme. In the case of modern-type units the vertical or horizontal diversification of activities may also contribute to problems of classification. Financially powerful enterprises, whether or not financed from abroad, will often find promising investment opportunities outside their own field of activity. The lack of financial markets will induce them to take advantage of such opportunities by direct investment.

23. In the SNA, both the proposed revision and the present, the establishment is the unit of classification in the production accounts. Units of the same enterprises differing in kinds of economic activity are classified into different industries in the production accounts; while the enterprises, however different the activities of their establishments, are the statistical units employed in the financial accounts. The Statistical Commission at the thirteenth session, observed that the analytical usefulness of the system might be increased if a broad type of industrial classification were employed in the financial accounts. In the case of the developing countries, it is thought that the use of this procedure would be valuable in dealing with enterprises which are of paramount importance to the economy as a whole.

#### E. Traditional rural segments

24. The traditional rural segments of the economy (i.e., traditional-type productive activities carried on in rural areas and the associated households) are of special significance to the policy maker; not only because of the economic and social problems presented, but also because of the reserves for the future development of the economy that are available. Much of these productive activities will be of a subsistence character but the extent to which monetary transactions are carried on by these units will vary from one country to another.

25. Traditional-type productive units might be defined to encompass all small productive units, employing a minimum of power equipment engaged in economic activities other than government, professional, medical, educational, banking and insurance services. The households

/associated with



associated with the traditional-type productive activities carried on in rural areas might be considered to be those households in rural areas headed by the owners of these units. Though the precise distinction between traditional and modern-type productive units will necessarily vary from one country to another, the engagement in the unit of less than five persons and the use of power equipment, the rated capacity of which is two horsepower or less, might furnish general guidance in this respect.

26. The traditional-type productive units in rural areas will engage in the bulk of subsistence production (i.e., production primarily for own use) in the country. However, other economic units will also engage in subsistence production, and in order to compile data on the total amounts of such production in the economy, this subsistence production will need to be taken into account.

27. Each of the two approaches has certain uses. The second approach focuses on all transactions in the economy which are not pertinent in monetary analysis. The first approach deals with all transactions, monetary as well as non-monetary, of a particular group of people, and furnishes data for analysis of their circumstances.

28. Traditional-type rural economic units and the associated households will usually appear in clusters and will predominate in given rural areas. However, within these regions there will also be units of a modern type. Conversely, in urban areas, households may be found which are associated with traditional-type production units.

#### F. Key-segment

29. It has been suggested above that establishments producing for the world market often play a role in developing economies that warrants considering their parent enterprises the key segment of the economy. This may be because the activities of these enterprises furnish the main (or only) source of foreign exchange or public revenue and/or because the technology and productivity of these establishments is far ahead of all other units. In the latter case increase in the production of these establishments do not provide much additional employment for the labour force. Another common characteristic of the parent enterprises is that external sources are often the major source of their finance.

30. For purposes of compiling a set of accounts on the enterprises making up the key segment, a more precise definition than that implied above is required of the units and transactions which are to be encompassed. As what is needed are data on all facets of the real and financial transactions of the same group of enterprises, it is suggested that the key segment comprise all enterprises with at least one establishment engaging mainly in the production of commodities that play the strategic role in the economy described above. The production account for the segments would relate to all establishments making up these enterprises and would of course cover all the pertinent activities of these establishments; and all other commodities produced would appear in the production account as other products. The financial accounts of the key segment would relate to the collection of all enterprises defined above.

### G. External transactions

31. External transactions (imports, exports, current and capital transfers and capital movements) play a special role in the case of most developing countries. Data on these transactions are therefore urgently required and should furnish detailed information on such topics as the commodities exported and imported, trading partners, the flow of property income abroad, or the external sources of finance of capital formation.

32. With respect to relatively detailed data on the partners to external transactions, attention should be drawn to the possibility suggested in Part I of document E/CN.3/320 that the Rest-of-the-World accounts be deconsolidated according to the groups of countries or regions with which transactions are carried on. However, apart from exports and imports of goods, the statistical difficulties that would be encountered in such deconsolidation are likely to be too great to make it practicable. The sub-division of exports and imports of goods according to destination and origin, respectively would enhance the usefulness of the data on these transactions, especially where a classification according to type of goods is crossed by a classification according to groups of countries. <sup>2/</sup>

33. In the case of a number of analytical and statistical uses of data on imports of goods, comparisons are required between domestic production and imports. Provision is made for such comparisons in the production accounts of the system on commodities. In the case of the developing countries, a detailed supplementary table, Table 3A, is also suggested for this purpose.

### H. Position of the Public Sector

34. In many developing countries the public sector has a larger role in the economic life of the nation than is often the case in the developed market economies. This role may be exercised through policy and administrative measures and direct participation as an entrepreneur. For these reasons it is considered desirable to sub-divide data on production, in addition to figures of income outlay and capital transactions, according to the public and private activities. In the case of production-account data, establishments classified according to kind of economic activity would be separated into public and private, depending on who owns and/or operates them.

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<sup>2/</sup> Where regional economic integration is being contemplated, or has been introduced, it would be useful to take this into account when establishing these groups of countries.

### III. CLASSIFICATIONS AND SPECIAL PROBLEMS

35. The subject of schemes of classification 3/ is covered in Chapter X of document E/CN.3/320. These schemes of classification relate to kind of economic activity, commodities, consumers' goods and services and expenditures, government activities and consumption expenditure, institutional sectors, financial claims and current transfers. Most of the problems of classification emanating from the economic structure of developing countries may be solved by the use of telescoped or more detailed schemes of classification than those proposed in document E/CN.3/320, but several points should be explicitly discussed in this chapter. Dealt with in addition is the special problem of estimating depreciation which developing countries encounter in compiling national accounts.

#### A. Classifications of Establishments

36. In classifying industrial establishments according to kind of economic activity, difficulties may arise because of the lesser degree of specialization in their activities in the case of the developing than the industrialized countries. This situation may demand the combination of some or more detailed categories, and perhaps even the condensed classes, of the industrial classification proposed in document E/CN.3/320. Other circumstances that may require telescoping these classifications are the existence of only a few (e.g., less than three) establishments falling into a single category of the classification.

37. Attention has been drawn in reviewing the special requirements of developing countries to the existence of "modern" and "traditional" type establishments. Where appropriate industrial establishments should be sub-divided into these two categories, as well as according to kind of activity. Criteria of kind of activity, number of persons engaged in the establishment and whether or not power equipment is installed, have been suggested for this sub-division.

38. The lack of specialization in the activities of establishments in the developing countries often is manifested in the importance of the complementary activities that are carried on in such productive units. These complementary activities will frequently consist of own account transport, generation of electricity or construction. In some cases part of the product may be sold on the market, e.g., electricity. Document E/CN.3/320 proposes that own account construction should be separated from the industry in which it takes place and be included in the construction industry. Similarly, own-account transport, where especially important and separable, might be classified in the transport industry. However, in the case of the production of electricity, separation from the main kind of activities of the establishment does not appear feasible.

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3/ For references to some pertinent schemes of classification, see Annex III.

## B. Commodity Classifications

39. In the case of classifications of commodities, it is recognized in document E/CN.3/320 that more detailed schemes will be needed for national than international use. This is also the case for the sub-division of supply of commodities into domestically supplied and imported as well as the sub-division of the demand. For purposes of these more detailed schemes of classification, use might be made of the three, or in some cases four or even five, digit level of the SITC. It would be essential to group these categories according to the class of the ISIC in which they are primarily produced domestically or internationally. The degree of detail in the commodity classification would depend on the importance of the commodities for the particular country and the extent of substitubility between commodities.

40. In the classification of gross domestic capital formation by type of capital good, an entry has been introduced relating to "land-improvement" in view of the importance of this expenditure in development.

## C. Consumers' Goods and Services

41. The change proposed in the classification of consumers' goods and services set out in document E/CN.3/320 is designed to facilitate the combination of certain private and government consumption expenditure. The change consists of the sub-division of class 8, "Other goods and services" of Table 14, Chapter X of document E/CN.3/320 as follows:

### 8. Other goods and services

#### A. Personal care and effects and other goods, n.e.c.

- (a) Services of barber and beauty shops (S)
- (b) Personal care and other goods, n.e.c. (ND)

#### B. Restaurants, cafés and hotel expenditures above value of food, drinks, tobacco consumed (S)

#### C. Special welfare services (S)

#### D. Religious, fraternal and social organizations and community services, n.e.c. (S)

#### E. Financial and other services, n.e.c. (S)

## D. Government Purposes

42. Alternations are not proposed in the scheme for classifying government purposes set out in document E/CN.3/320, but a cross classification of consumption expenditures by type and selected purpose is proposed in one of the annexed tables. In addition, not only consumption expenditure, but also the transfers and capital formation of general government have been suggested for classification according to purpose.

E. Classification of Institutional Sectors and Financial Claims

43. It is proposed that in the case of the developing countries, the definition in document E/CN.3/320 of the sector for financial institutions be altered to exclude small-scale, unincorporated money lenders. These money lenders are unlikely to have the complete set of segregated bookkeeping records on these activities that are required to include them in the sector accounts for financial institutions; and should be included in the sector accounts for households, as in the case of most private unincorporated non-financial enterprises. A large number of private unincorporated enterprises will be included in the household sector in the case of the developing countries. In view of this and the differences in economic behaviour between the households of the owners of these enterprises and other households, it is also proposed in a table in Annex II that households be sub-divided according to whether or not proprietors of unincorporated enterprises are included. It is proposed that households which do not include these proprietors be further sub-divided into those headed by employees and persons in other socio-economic status groups.

44. In the case of financial claims, the classification proposed in document E/CN.3/320 has been telescoped. However, in view of the importance of mortgages in the limited financial markets of the developing countries, these instruments have been separated out from other domestic claims.

F. Consumption of Fixed Capital

45. The reliability of estimates of the consumption of fixed capital has been frequently questioned, particularly in the case of the developing countries. Two main sources of information may be available for this purpose: The accounting records of enterprises and other units; and the perpetual inventories of fixed assets discussed in the preceding chapter. Either approach presents problems and difficulties, in the case of the developing countries. Even where the required accounting records are available, the way in which depreciation is valued differs materially from what is needed in national accounting. And, perpetual inventories of fixed assets cannot be maintained at early stages of statistical development.

46. In the absence of direct information on the consumption of fixed capital, recourse is sometimes taken to utilizing data from other, usually developed countries. This approach does not yield satisfactory figures since rates of depreciation may be expected to differ substantially between developed and developing countries. While obsolescence may be of lesser consequence in the developing than in the developed countries, physical wear and tear may be much more substantial.

47. It is therefore proposed in this paper that estimates (explicit or implied) of the consumption of fixed capital be introduced into the accounts and tables as a second order of priority. In the meantime gross

/concepts would

concepts would be utilized throughout the accounts and tables. Exceptions to this are however suggested in the case of depreciation allowances on buildings owned and occupied by general government and private non-profit institutions and on the fixed assets of the key segment.

#### IV. THE ACCOUNTS AND TABLES AND ORDERS OF PRIORITY IN COMPILATION

48. This chapter concerns the accounts and tables set out in Annexes I and II and the order of priority in which they might be compiled. Included among these accounts and tables are all those proposed in Part II of document E/CN.3/320, modified in some respects in the light of the requirements of the developing countries or the results of recent international discussions of the document. These alterations in the accounts and tables are discussed in this chapter. In addition, the accounts and tables of the two annexes include special tabulations designed to depict trends in significant parts of the economy of a number of developing countries such as the traditional rural or key segments. Considerable attention is paid in this chapter to describing these special accounts and tables.

49. Despite the limited series of statistics that are available in the developing countries, the accounts and tables suggested in this paper are in some respects more extensive or detailed than those proposed in document E/CN.3/320. These accounts and tables can therefore only delineate goals for the gradual evolution of a system of national accounting. Suggestions are given in the second half of this chapter on the sequence in which the accounts and tables might be developed. The order of priorities in which it is suggested compilation be pursued, result from weighting the difficulties of collecting the required basis data against the urgency with which the national accounting estimates are required. As these circumstances will vary from one developing country to another, the suggested order of priorities is intended to be indicative only of the sequence in which the full set of accounts and tables might be involved.

##### A. The Consolidated Accounts for the Economy as a Whole

50. The A Accounts shown in Annex I contain few alterations in the consolidated accounts for the nation as a whole set out in document E/CN.3/320. It is suggested that initially (i.e., as the first order of priority), the flows in Account I, domestic factor incomes and consumption of fixed capital, be combined and that net borrowing from the rest of the world, be shown in Accounts 3 and 4. Attempting estimates of depreciation is however proposed for the second stage in developing the system; and in Accounts 2 and 3, the flow for saving is net of the consumption of fixed capital.

##### B. Accounts and Tables on Production and Capital Expenditure

51. The accounts and tables on production and capital expenditure are of paramount importance for the developing countries. The compilation of considerable, detailed data is therefore being proposed in the case of these accounts and tables; and a high order of priority is being suggested for this work.

52. The B Accounts shown in Annex I, which deconsolidate Accounts 1 and 3 of the accounts for the economy as a whole, reflect a more detailed sub-division of industries than the similar accounts in document E/CN.3/320 and the modification in the flows for general government and households and private non-profit institutions resulting from recent discussions of the document. In view of the importance of mining in a number of developing countries and the requirements for separate data on manufacturing and construction, separate B Accounts are proposed for each of these groups of industries. Separate accounts have also been added to the B Accounts in document E/CN.3/320 in the case of general government and households and private non-profit institutions serving them. Now shown in Annex I of the B Accounts for general government are the full cost-structure of, and sources of demand for, general government activities. Similarly, Account 1 for households and private non-profit institutions serving them portrays the contribution to production and the element of final consumption by these units. The contribution of households to production consists of domestic service. It should be emphasized that while selected private enterprises are combined with households in the financial accounts and tables (e.g., the C Accounts), this is not the case in the B Accounts or related tables. The production and capital expenditure of these enterprises are covered in the B Accounts for industries. The flows appearing in Account 3 of the B Accounts for households and private non-profit institutions serving them cover the capital expenditures of the private non-profit institutions only.

53. As in the case of the A Accounts, it is suggested that in the B Accounts flows be recorded gross of consumption of fixed capital during the first stage in the compilation of accounts. The definition of the boundaries of production is of course the same in all the accounts and tables of the system. As compared to the present SNA, a slight extension is proposed in the boundary of production. Production for own account would encompass not only primary production (i.e., agricultural and mining products) and fixed capital formation, but also the production of other items, provided that some part of these commodities are produced for exchange. In the present SNA, the making of these items for own consumption is included in production only where this activity is the main trade of the producers.

54. The tables in Annex II which furnish more detailed information on various aspects of the production and capital expenditure accounts are numbered 1 through 8. Included among these tables on constant-price estimates of selected flows in the production and capital expenditure accounts.

55. The tables relating to the production and capital expenditure accounts in Annex II differ from the corresponding tables in document E/CN.3/320 in some noteworthy respects. Further classifications have been added to some of these tables in view of the structure of, as well as the requirements for data by, the developing economies. For example, in the tables on the gross domestic product and employment according to kind of economic activity, distinctions have been drawn between the public and private sectors and "modern" and "traditional" type establishments. In the table on employment

/(Table 2),

(Table 2), the number of people engaged has been subdivided into employed, employers, unpaid family workers, own account workers and total. A few tables have also been added for the same reasons. These tables are Table 3A, where the two components of gross output - i.e., production for own use and for exchange - are to be distinguished, one from the other, and Table 3B, where data on the sources of supply of and demand for commodities are to be tabulated according to a relatively detailed commodity classification scheme. It is also proposed that the tables in document E/CN.3/320 on private and general government consumption expenditures be extended considerably. In Table 6A on the computation of private consumption expenditures, items have been added in order to distinguish the expenditures of private non-profit institutions from the expenditures of households and to delineate the cost structure of the activities of the former institutions. Table 7A, on the consumption expenditures of general government, calls for delineating these expenditures according to type and purpose; and Table 7B provides for the classification of general government current transfers and subsidies, gross domestic capital formation and capital transfers, in addition to consumption expenditures, according to government activities (purposes).

#### C. Income and Outlay and Capital Finance Accounts and Tables

56. Lower orders of priority are suggested for the compilation of the accounts and tables on income and outlay and capital finance than those on production and capital expenditure. The orders of priority proposed in the case of the former estimates range from II to IV, depending on the difficulties of collecting the required basic data. The main differences in the suggested financial accounts and tables between this paper and document E/CN.3/320 are: The addition of Table 10B, on the income and outlay of households sub-divided into households of owners of private unincorporated enterprises, employees and others; and the condensation of the classification scheme for claims.

#### D. Accounts for Special Segments

57. Included in Annex I are accounts for the two segments of developing economy which it has been emphasized in Chapter II warrant special attention in a number of cases, namely, the traditional rural and key segments.

58. A complete set of accounts is proposed for the traditional rural segment in order that data might be available on the production, consumption and capital formation of the household covered, the extent to which they participate in monetary transactions, and on the relationships and ties between them and the rest of the economy. The data proposed on the production, consumption and capital formation of the households included in this segment would furnish the basis not only for analyzing their economic circumstances and experience, but also for including their economic activities in national totals.

59. As has already been noted, subsistence production will be carried on by households not included in the traditional rural segment. The total

/value of



value of the gross output of this type recorded in Table 3A and flow 9.1.10 of Accounts D will therefore differ though in each case the gross output should be valued in the same fashion - in principle, at market prices at the place of production realized on the sale of the same commodities.

60. From a number of points of view, a complete set of accounts is more urgently required in the case of the key segment than the traditional rural segment. It should also be more practical to compile such a set of accounts in the former case since many, if not all, of the enterprises included in the key segment are likely to be incorporated. The accounts suggested for the key segment of the economy therefore cover the flows included in the A, B and C Accounts in full detail. Two sets of income and outlay and capital finance accounts are included among these accounts since in the case of some developing countries, a significant number of the enterprises which should be covered in the key segment may be unincorporated enterprises which lack a complete set of book-keeping records.

#### E. Order of Priority in Compilation

61. Four orders of priority have been employed in the table at the end of this chapter in order to suggest the sequence in which compilation of the proposed accounts and tables might be started.

62. The highest priority was assigned to the compilation of the accounts and tables relating to estimates which are urgently required and may be prepared from basic data which are for the most part already available in the developing countries. Where the required information is not yet available, it is suggested that the highest priority should be assigned to developing these series. Accounts and tables assigned Priority I relate to the expenditure and product and current external transactions of the nation, the B Accounts for selected kinds of economic activity, the corresponding data for the non-monetary and the key-sector segments of the economy, and part of the C Accounts for general government. In making these estimates first, efforts would be concentrated in compiling data on aspects of the economy which are of strategic and critical importance in development.

63. The next order of priority was allocated to estimates which are also urgently needed but would be derived from basic data more difficult to collect. At this stage it is suggested that the remainder of the A and B accounts and more detailed aspects of the tables supporting the product accounts be attempted and that estimates covered in the financial accounts for the key segment and financial institutions be started.

64. Third and fourth orders of priority have been assigned to estimates which are not urgently required and/or which are especially difficult to make. For example, low orders of priority have been assigned to data on the transactions in financial assets and liabilities of most institutional sectors for the latter reason. Both considerations have led to the assignment of a low order of priority to the production and capital expenditure accounts for the service industries.

64. The order of priority suggested in compiling the proposed system of accounts and tables is as follows:

PRIORITY I

- A Accounts, Consolidated Accounts for the Economy as a Whole
  - Account 1. Expenditure and Product
  - Account 2. National disposable income and its apportionment
  - Account 5. External transactions of the nation, current transactions

- B Accounts, Production and Capital Expenditure Accounts

- Account 1. Production accounts - Commodities
- Account 1. Production account - Industries for agriculture, mining manufacturing, construction, and perhaps transportation and distribution; and General government
- Account 3. Capital expenditure account for agriculture and general government

- C Accounts, Income and Outlay and Capital Finance Accounts

- Account 2. Income and outlay account for general government
- Account 4. Capital finance account - first half for general government

- D Accounts for Special Segments of the Economy

2. Key segments

- Account 1. Production account - Commodities
- Account 1. Production account - Industry
- Account 3. Capital expenditure account - Industry
- Account 2. Income and outlay account for corporate and quasi-corporate enterprises

Tables 1A(a); 3A; 3B; 8A; 9(a); 11A partly; and 11C.

PRIORITY II

- A Accounts, Consolidated accounts for the Economy as a Whole
  - Accounts 3 and 4. Capital transactions of the nation
  - Account 5. External transactions of the nation - capital transactions
- B Accounts, Production and Capital Expenditures Accounts
  - Account 1. Production account - Households and Private non-Profit Institutions

/account 3.

Account 3. Capital expenditure account - Industries for mining, manufacturing, construction, transport and distribution

C Accounts, Income and Outlay and Capital Finance Accounts

Account 2. Income and outlay accounts for non-Financial enterprises, corporate and quasi-corporate, and financial institutions

Account 4. Capital finance account for financial institutions

Account 4. Capital finance account for general government partly

D Accounts for Special Segments of the Economy

1. Traditional rural segments

Account 1. Production accounts - Commodities and Industries

2. Key segment

Account 2. Income and outlay account, for households of proprietors of other enterprises

Account 4. Capital finance account for corporate and quasi-corporate enterprises

Tables 2(a) 5; 6A; 6B; 7A; 7B; 8C; 9(b); 10A; 11A partly

PRIORITY III

B Accounts, Production and Capital Expenditure Accounts

Account 1. Production account - Industries, for "Other industries"

Account 3. Capital expenditure account - Industries, for "Other Industries"

Account 3. Capital expenditure account for households and private non-profit institutions

C Accounts, Income and Outlay and Capital Finance Accounts

Account 2. Income and outlay account for households and private non-profit institutions serving households.

Account 4. Capital finance account - for non-financial enterprises, corporate and quasi-corporate and partly for households and private non-profit institutions

D Accounts, Accounts for Special Segments of the Economy

1. Traditional Rural segments

Accounts 3, 4 and 5. Capital finance account and External transactions

2. Key segment

/Account 4.

Account 4. Capital Finance accounts for households of proprietors  
of other unincorporated enterprises

Table 1A(b) and (c); 1B; 2(b) and (c); 3C; 8D; 10B; 11A partly; 11B.

PRIORITY IV

All remaining accounts and tables.

ANNEX I. ACCOUNTS, CORRESPONDING PRIORITIES AND INTER-CONNECTIONS

PRIORITIES

Priorities

A. CONSOLIDATED ACCOUNTS FOR THE ECONOMY AS A WHOLE

Account 1.	Expenditure and product	I
Account 2.	National disposable income and its appropriation	I
Accounts 3 and 4.	Capital transactions of the nation	II
Account 5.	External transactions of the nation, current transactions	I
	External transactions of the nation, capital transactions	II

B. PRODUCTION AND CAPITAL EXPENDITURE ACCOUNTS

(a) Industries

1. Agriculture, forestry, fishing

Account 1.	Production account - Commodities	I
Account 1.	Production account - Industries	I
Account 3.	Capital expenditure account - Industries	I

2. Mining

Account 1.	Production account - Commodities	I
Account 1.	Production account - Industries	I
Account 3.	Capital expenditure account - Industries	II

3. Manufacturing and Electricity, gas and water supply

Account 1.	Production account - Commodities	I
Account 1.	Production account - Industries	I
Account 3.	Capital expenditure account - Industries	II

4. Construction

Account 1.	Production account - Commodities	I
Account 1.	Production account - Industries	I
Account 3.	Capital expenditure account - Industries	II

5. Transportation and Distribution, including Storage and Communication

Account 1.	Production account - Commodities	I
Account 1.	Production account - Industries	I-II
Account 3.	Capital expenditure account - Industries	II

6. Other industries

Account 1.	Production account - Commodities	I
Account 1.	Production account - Industries	II-III
Account 3.	Capital expenditure account - Industries	

(b) General

Priorities

## (b) General Government

Account 1. Production account	I
Account 3. Capital expenditure account	I

## (c) Households and private non-profit institutions serving households

Account 1. Production account	II
Account 3. Capital expenditure account	III

## C. INCOME AND OUTLAY AND CAPITAL FINANCE ACCOUNTS

## Sector 1. Non-financial enterprises, corporate and quasi-corporate

Account 2. Income and outlay account	II
Account 4. Capital finance account - Investment	III
Financial assets and liabilities	III-IV

## Sector 2. Financial institutions

Account 2. Income and outlay account	
Account 4. Capital finance account - Investment	II
Financial assets and liabilities	II

## Sector 3. General government

Account 2. Income and outlay account	I
Account 4. Capital finance account - Investment	II
Financial assets and liabilities	II-III

## Sector 4. Households, including selected unincorporated private enterprises, and private non-profit institutions serving households

Account 2. Income and outlay account	III
Account 4. Capital finance account - Investment	III
Financial assets and liabilities	III-IV

## D. ACCOUNTS FOR SPECIAL SEGMENTS OF THE ECONOMY

## 1. Traditional Rural Segment(s) of the Economy

Account 1. Production account - Commodities	II
Account 1. Production account - Industries	II
Account 2. Income and outlay accounts	III
Account 4. Capital finance account	III
Account 5. External transactions	III

## 2. Key Segment(s) of the Economy

Account 1. Production account - Commodities	I
Account 1. Production account - Industry	I
Account 3. Capital expenditure account - Industry	I

/a. Corporate

Priorities

- |  |        |
|--|--------|
| a. Corporate and Quasi-corporate enterprises                   |        |
| Account 2. Income and outlay account                           | I      |
| Account 4. Capital finance account                             | II-III |
| b. Households of Proprietors of Other Incorporated Enterprises |        |
| Account 2. Income and outlay account                           | II     |
| Account 3. Capital finance account                             | III    |

## CONNEXIONS BETWEEN A, B AND C ACCOUNT ENTRIES

## Entries

## A Account 1 and B Accounts 1 - Production and Expenditure

- $1.1 = \{n.1.1 + n.1.19$   
 $1.2 = \{n.1.2$   
 $1.3 = \{a.1.3 + 3.2.15(i)$   
 $1.4 = a.1.4$   
 $1.5 = 8.1.5$   
 $1.6 = 7.1.6$   
 $1.7 = \{n.3.1$   
 $1.8 = \{n.3.2$   
 $1.9 = \{n.1.9$   
 $1.10 = \{a.1.11 + \{a.1.12 + 7.1.10 + 8.1.10 - 3.2.15(i).$

## A Account 2 and C account 2 - Income and Outlay

- $2.1 = 4.2.5$   
 $2.2 = 3.2.6$   
 $2.3 = \{n.2.4$   
 $2.4 = \{n.2.19 - 5.8 + 4.2.1 - 5.7$   
 $2.5 = 5.2$   
 $2.6 = 5.3$   
 $2.7 = 3.2.15$   
 $2.8 = 3.2.8$   
 $2.9 = 5.4 - 5.9$

## A Accounts 3 and 4, and B Account 3 and C Account 4 - Capital Transactions

- $3.1 = \{n.3.1 = \{n.4.1$   
 $3.2 = \{n.3.2 = \{n.4.2$   
 $4.1 = \{n.4.4$   
 $4.2 = \{n.4.5$   
 $4.3 = 5.10$   
 $4.4 = 4.5$   
 $4.5 = 4.7 - 4.6$   
 $4.6 = \{n.4.8 + n.4.9$   
 $4.7 = \{n.4.32 + 2.4.33 + 2.4.34$

/A Accounts

## A Accounts 5, and 1., 2 and 4 - External Transactions

5.1 = 1.9  
5.2 = 2.5  
5.3 = 2.6  
5.4 = 2.9 + 5.9  
5.5 = 5.12  
5.6 = -1.10  
5.7 = 1.1 - 2.4 - 5.8  
5.8 = 1.1 - 2.4 - 5.7  
5.9 = 5.4 - 2.9  
5.10 = 4.3  
5.11 = 4.7  
5.12 = 5.5  
5.13 = 4.6

/A. CONSOLIDATED



A. CONSOLIDATED ACCOUNTS FOR THE ECONOMY AS A WHOLE

Account 1. Expenditure and product

---

1.1 Domestic factor incomes (2.4+5.7+5.8)	1.5 Private consumption expenditure (2.1)
1.2 Provisions for the consumption of fixed capital (4.2)	1.6 General government consumption expenditure (2.2)
1.3 Indirect taxes (2.7)	1.7 Gross domestic fixed capital formation (3.1)
1.4 <u>Less</u> Subsidies (2.8)	1.8 Increase in stocks (3.2)
	1.9 Export of goods and non-factor services (5.1)
	1.10 <u>Less</u> Imports of goods and non-factor services -(5.6)

---

Gross domestic product at market prices

Expenditure on the gross domestic product at market prices

---

Account 2. National disposable income and its appropriation

---

2.1 Private consumption expenditure (1.5)	2.4 Domestic factor incomes to residents (1.1*)
2.2 General government consumption expenditure (1.6)	2.5 Compensation of employees from the rest of the world (5.2)
2.3 Saving (4.1)	2.6 Property income from the rest of the world (5.3)
	2.7 Indirect taxes (1.3)
	2.8 <u>Less</u> Subsidies (1.4)
	2.9 Current transfers from the rest of the world, net (5.4-5.9)

---

Appropriation of national disposable income

National disposable income

---

Accounts 3 and 4. Capital transactions of the nation

3.1 Gross domestic fixed capital formation (1.7)	4.1 Saving (2.3)
3.2 Increase in stocks (1.8)	4.2 Provisions for the consumption of fixed capital (1.2)
	4.3 Capital transfers from the rest of the world, net (5.10)
	4.4 Net borrowing from the rest of the world (4.5)

Gross investment	Finance of gross investment
4.5 Net borrowing from the rest of the world (4.4)	4.7 Net incurrence of foreign liabilities (5.11)
4.6 Net acquisition of foreign financial assets (5.13)	
Net acquisition of foreign financial assets and net borrowing	Net incurrence of foreign liabilities

Account 5. External transactions of the nation

Current transactions	
5.1 Exports of goods and non-factor services (1.9)	5.6 Imports of goods and non-factor services -(1.10)
5.2 Compensation of employees from the rest of the world (2.5)	5.7 Compensation of employees to the rest of the world (1.1*)
5.3 Property income from the rest of the world (2.6)	5.8 Property income to the rest of the world (1.1*)
5.4 Current transfers from the rest of the world (2.9*)	5.9 Current transfers to the rest of the world (2.9*)
5.5 Deficit of the nation on current transactions (5.12)	
Current receipts	Disposal of current receipts
Capital transactions	
5.10 Capital transfers from the rest of the world, net (4.3)	5.12 Deficit of the nation on current transactions (5.5)
5.11 Net incurrence of foreign liabilities (4.7)	5.13 Net acquisition of foreign financial assets (4.6)
Receipts	Disbursements

B. PRODUCTION AND CAPITAL EXPENDITURE ACCOUNTS

a. Industries

1. Agriculture, Forestry, Fishing

Account 1. Production Account - Commodities

1.1.13 Primary products of domestic agriculture, forestry and fishing (1.1.20)	1.1.17 Intermediate consumption
1.1.14 Production of agriculture, forestry and fishing products by other domestic industries	1.1.15 Consumers' goods and services (8.1.15*)
1.1.11 Competitive imports of agriculture, forestry and fishing products (1.10*)	1.1.16 General government activities (7.1.16*)
1.1.12 Complementary imports of agriculture, forestry and fishing products (1.10*)	1.1.7 Gross domestic fixed capital formation (1.7*)
	1.1.8 Increase in stocks (1.8*)
	1.1.9 Exports (1.9*)

Total supply

Total use

Account 1. Production account - Industries

1.1.18 Intermediate consumption	1.1.20 Primary products of domestic agriculture, forestry and fishing (1.1.13)
1.1.3 Indirect taxes (1.3*)	
1.1.4 Less Subsidies (1.4*)	
1.1.1 Compensation of employees (1.1*)	1.1.21 Secondary products or domestic agriculture, forestry and fishing
1.1.2 Provisions for the consumption of fixed capital (1.2*)	
1.1.9 Operating surplus (1.1*)	

Gross input

Gross output

Account 3. Capital expenditure account - Industries

1.3.1 Gross domestic fixed capital formation (3.1*)	1.3.3 Provisions for the consumption of fixed capital (1.1.2)
1.3.2 Increase in stocks (3.2*)	1.3.4 Net capital formation (1.3.1+1.3.2-1.3.3)

Gross domestic capital formation

Finance of gross domestic capital formation

/2. Mining

## 2. Mining

### Account 1. Production account - Commodities

2.1.13	Primary products of domestic mining activity (2.1.20)	2.1.17	Intermediate consumption
2.1.14	Production of mining products by other domestic industries	2.1.15	Consumers' goods and services (8.1.15*)
2.1.11	Competitive imports of mining products (1.10*)	2.1.16	General government activities (7.1.16*)
2.1.12	Complementary imports of mining products (1.10*)	2.1.8	Increase in stocks (1.8*)
		2.1.9	Exports (1.9*)
Total supply		Total use	

### Account 1. Production account - Industries

2.1.18	Intermediate consumption	2.1.10	Primary products of domestic mining activity (2.1.13)
2.1.3	Indirect taxes (1.3*)	2.1.21	Secondary products of domestic mining activity
2.1.4	Less Subsidies (1.4*)		
2.1.1	Compensation of employees (1.1*)		
2.1.2	Provisions for the consumption of fixed capital (1.2*)		
2.1.19	Operating surplus (1.1*)		
Gross input		Gross output	

### Account 3. Capital expenditure account - Industries

2.3.1	Gross domestic fixed capital formation (3.1*)	2.3.3	Provisions for consumptions of fixed capital (2.1.2)
2.3.2	Increase in stocks (3.2*)	2.3.4	Net capital formation (2.3.1 + 2.3.2 - 2.3.3)
Gross domestic capital formation		Finance of gross domestic capital formation	

## 3. Manufacturing and Electricity, Gas and Water Supply

### Account 1. Production account - Commodities

3.1.13	Primary products of domestic manufacturing and electricity, gas and water supply (3.1.20)	3.1.17	Intermediate consumption
3.1.14	Production of industrial products by other domestic industries	3.1.15	Consumers' goods and services (8.1.15*)
3.1.11	Competitive imports of industrial products (1.10*)	3.1.16	General government activities (7.1.16*)
3.1.12	Complementary imports of industrial products (1.10*)	3.1.7	Gross domestic fixed capital formation (1.7*)
		3.1.8	Increases in stocks (1.8*)
		3.1.9	Exports (1.9*)
Total supply		Total use	

3.1.18 Intermediate consumption	3.1.20 Primary products of domestic manufacturing and electricity, gas and water supply (3.1.13)
3.1.3 Indirect taxes (1.3*)	3.1.21 Secondary products of domestic manufacturing and electricity, gas and water supply
3.1.4 Less Subsidies (1.4*)	
3.1.1 Compensation of employees (1.1*)	
3.1.2 Provisions for consumption of fixed capital (1.2*)	
3.1.19 Operating surplus (1.1*)	
Gross input	Gross output

Account 3. Capital expenditure account - Industries

3.3.1 Gross domestic fixed capital formation (3.1*)	3.3.3 Provisions for consumption of fixed capital (3.1.2)
3.3.2 Increase in stocks (3.2*)	3.3.4 Net capital formation (3.3.1 + 3.3.2 - 3.3.3)

Gross domestic capital formation	Finance of gross domestic capital formation
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4. Construction

Account 1. Production account - Commodities

4.1.13 Primary products of domestic construction activity (4.1.20)	4.1.17 Intermediate consumption
4.1.14 Production of construction products by other domestic industries	4.1.15 Consumers' goods and services (8.1.15*)
	4.1.16 General government activities (7.1.16*)
	4.1.7 Gross domestic fixed capital formation (1.7*)
	4.1.8 Increase in stocks (1.8*)
Total supply	Total use

Account 1. Production account - Industries

4.1.18 Intermediate consumption	4.1.20 Primary products of domestic construction activity (4.1.13)
4.1.3 Indirect taxes (1.3*)	4.1.21 Secondary products of domestic construction activity
4.1.4 Less Subsidies (1.4*)	
4.1.1 Compensation of employees (1.1*)	
4.1.2 Provisions for consumption of fixed capital (1.2*)	
4.1.19 Operating surplus (1.1*)	
Gross input	Gross output

Account 3. Capital expenditure account - Industries

4.3.1 Gross domestic fixed capital formation (3.1*)	4.3.3 Provisions for consumption of fixed capital (4.1.2)
4.3.2 Increase in stocks held by domestic construction industry (3.2*)	4.3.4 Net capital formation (4.3.1 + 4.3.2 - 4.3.3)

Gross domestic capital formation	Finance of gross domestic capital formation
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## 5. Transport and Distribution, Including Storage and Communication

## Account 1. Production account - Commodities

5.1.13 Primary services of domestic transport and distribution (5.1.20)	5.1.17 Intermediate consumption
5.1.14 Transport and distribution services by other domestic industries	5.1.15 Consumers' goods and services (8.1.15*)
5.1.11 Competitive transport services by non-resident producers (1.10*)	5.1.16 General government activities (7.1.16*)
5.1.12 Complementary transport and distributive-trade services by non-resident producers (1.10*)	5.1.7 Gross domestic fixed capital formation (1.7*)
	5.1.8 Increases in stocks (1.8*)
	5.1.9 Export of transport and distributive-trade services (1.9*)

Total supply

Total use

## Account 1. Production account - Industries

5.1.18 Intermediate consumption	5.1.20 Primary services of domestic transport and distribution (5.1.13)
5.1.3 Indirect taxes (1.3*)	
5.1.4 Less Subsidies (1.4*)	
5.1.1 Compensation of employees (1.1*)	5.1.21 Secondary products of domestic transport and distribution
5.1.2 Provisions for consumption of fixed capital (1.2*)	
5.1.19 Operating surplus (1.1*)	

Gross input

Gross output

## Account 3. Capital expenditure account - Industries

5.3.1 Gross domestic fixed capital formation (3.1*)	5.3.3 Provisions for consumption of fixed capital (5.1.2)
5.3.2 Increases in stocks (3.2*)	5.3.4 Net capital formation (5.3.1+5.3.2-5.3.3)

Gross domestic capital formation

Finance of gross domestic capital formation

## 6. Other Industries

## Account 1. Production account - Commodities

6.1.13 Primary services of domestic industries engaged in services n.e.c. (6.1.20)	6.1.17 Intermediate consumption
6.1.14 Services n.e.c. of other domestic industries	6.1.15 Consumers' goods and services (8.1.15*)
6.1.11 Competitive services n.e.c. by non-resident producers (1.10*)	6.1.16 General government activities (7.1.16*)
6.1.12 Complementary services n.e.c. by non-resident producers (1.10*)	6.1.7 Gross domestic fixed capital formation (1.7*)
	6.1.9 Services n.e.c. to non-resident producers (1.9*)

Total supply

Total use

Account 1. Production account - Industries

6.1.18 Intermediate consumption	6.1.20 Primary services of domestic industries engaged in services n.e.c. (6.1.13)
6.1.3 Indirect taxes (1.3*)	
6.1.4 Less Subsidies (1.4*)	
6.1.1 Compensation of employees (1.1*)	6.1.21 Secondary products of domestic industries engaged in services n.e.c.
6.1.2 Provisions for consumption of fixed capital (1.2*)	
6.1.19 Operating surplus (1.1*)	

Gross input

Gross output

Account 3. Capital expenditure account - Industries

6.3.1 Gross domestic fixed capital formation (3.1*)	6.3.3 Provisions for consumption of fixed capital (6.1.2)
6.3.2 Increase in stocks held by domestic industries in services n.e.c (3.2*)	6.3.4 Net capital formation

Gross domestic capital formation

Finance of gross domestic capital formation

b. General government

Account 1. Production account

7.1.16 Commodities consumed (7.1.16)	7.1.22 Sales to households, net (8.1.22)
7.1.2 Provisions for consumption of fixed capital	7.1.23 Sales to enterprises
7.1.1 Compensation of employees (1.1*)	7.1.6 General government consumption expenditure (1.6)
7.1.10 Direct purchases of goods and non-factor services abroad (1.10*)	

Gross value of inputs

Gross value of activities

Account 3. Capital expenditure account

7.3.1 Gross domestic fixed capital formation (3.1*)	7.3.3 Provisions for the consumption of fixed capital (7.1.2)
7.3.2 Increase in stocks (3.2*)	7.3.4 Net capital formation (7.3.1+ 7.3.2-7.3.3)

Gross domestic capital formation

Finance of gross domestic capital formation

/c. Households

c. Households and non-profit institutions serving households

Account 1. Production account

8.1.15 Commodities consumed (a.1.15)	8.1.5 Private consumption expenditure (1.5)
8.1.22 Purchases from general government, net (7.1.22)	
8.1.2 Provision for consumption of fixed capital by the private non-profit institutions (1.2*)	
8.1.1 Compensation of employees (1.1*)	
8.1.10 Direct purchases abroad by residents plus gifts in kind received from abroad (1.10*)	
8.1.9 Less purchases in the country by non-resident households plus gifts in kind sent abroad (1.9*)	

Gross value of outlay

Private consumption expenditure

Account 3. Capital expenditure account

8.3.1 Gross domestic fixed capital formation by the private non-profit institutions (3.1*)	8.3.2 Provisions for consumption of fixed capital by the private non-profit institutions (8.1.2)
	8.3.3 Net capital formation by the private non-profit institutions (8.3.1-8.3.2)

Gross domestic capital formation

Finance of gross domestic capital formation

C. INCOME AND OUTLAY AND CAPITAL FINANCE ACCOUNTS

Sector 1. Non-financial Enterprises, Corporate and Quasi-corporate

Account 2. Income and outlay account

1.2.1 Property and entrepreneurial income paid	1.2.19 Operating surplus of corporate and quasi-corporate enterprises (2.4*)
1.2.2 Current transfers n.e.c.	
1.2.3 Direct taxes on income (3.2.17*)	
1.2.4 Saving (1.4.4)	

Disbursements

Receipts

/Account 4.



Account 4. Capital finance account

1.4.1 Gross domestic fixed capital formation (3.1*)	1.4.4 Saving (1.2.4)
1.4.2 Increase in stocks (3.2*)	1.4.5 Provisions for the consumption of fixed capital (4.2*)
1.4.3 Net purchase of land	1.4.6 Capital transfers received by incorporated enterprises, net
	1.4.7 Net borrowing (1.4.25)
Gross investment	Finance of gross investment
1.4.25 Net borrowing (1.4.7)	1.4.32 Foreign liabilities
1.4.8 Gold and foreign exchange	1.4.38 Corporate debt and equity securities including capital participations
1.4.9 Other foreign financial assets	1.4.39 Proprietors' net investment in quasi-corporate private enterprises (4.4.31*)
1.4.10 Currency and transferable deposits (2.4.35*)	1.4.41 Net investment in government enterprises (3.4.28)
1.4.13 Other deposits (2.4.36*)	1.4.42 Other domestic liabilities
1.4.14 Central government obligations (3.4.46*)	
1.4.16 Local government obligations (3.4.48*)	
1.4.17 Corporate debt and equity securities, including capital participations (1.4.38* + 2.4.38*)	
1.4.18 Consumer credit (4.4.44*)	
1.4.19 Other domestic financial assets	
Net acquisition of financial assets plus net borrowing	Net incurrence of liabilities

Sector 2. Financial Institutions

Account 2. Income and outlay account

2.2.1 Property and entrepreneurial income paid	2.2.19 Operating surplus (2.4*)
2.2.2 Current transfers n.e.c	2.2.13 Income from property
2.2.3 Direct taxes on income (3.2.17*)	
2.2.4 Saving (2.4.4)	

Disbursements	Receipts
---------------	----------

Account 4. Capital finance account

2.4.1 Gross domestic fixed capital formation (3.1*)	2.4.4 Saving (2.2.4)
2.4.2 Increase in stocks (3.2*)	2.4.5 Provisions for the consumption of fixed capital (4.2*)
2.4.3 Net purchases of land	2.4.6 Capital transfers received by incorporated enterprises, net
	2.4.7 Net borrowing (2.4.25)
Gross investment	Finance of gross investment

/2.4.25 Net

2.4.25 Net borrowing (2.4.7)	2.4.33 Non-resident currency and transferable deposits
2.4.8 Gold and foreign exchange	2.4.34 Other foreign liabilities
2.4.9 Other foreign financial assets	2.4.35 Domestic currency and transferable deposits
Currency and transferable deposits of:	2.4.36 Other deposits
2.4.11 Monetary system (2.4.35*)	2.4.37 Counterpart of transfer of central government's gold and foreign exchange holdings (3.4.25)
2.4.12 Other financial institutions (2.4.35*)	2.4.38 Corporate debt and equity securities, including capital participations
2.4.13 Other deposits (2.4.36*)	2.4.40 Net equity of households on life insurance actuarial reserves and on pension and similar funds (4.4.30)
2.4.14 Central government obligations (3.4.46*)	2.4.39 Proprietors' net investment in quasi-corporate private enterprises (4.4.31*)
2.4.15 Counterpart of transfer of central government's currency issue functions (3.4.47)	2.4.42 Other domestic liabilities
2.4.16 Local government obligations (3.4.48*)	
2.4.12 Corporate debt and equity securities including capital participations (1.4.38* + 2.4.38*)	
2.4.18 Consumer credit (4.4.44*)	
Other domestic financial assets held on:	
2.4.19 Monetary system (2.4.42*)	
2.4.20 Other sectors	

Net acquisition of financial assets plus net borrowing	Net incurrence of liabilities
--	-------------------------------

### Sector 3. General Government

#### Account 2. Income and outlay account

3.2.6 Consumption expenditure (2.2)	3.2.14 Income from property and entrepreneurship
Interest on public debt paid to:	3.2.15 Indirect taxes (2.7)
3.2.5 Rest of the world	(i) Import duties
3.2.7 Residents	(ii) Other indirect taxes
3.2.8 Subsidies (-2.8)	3.2.16 Social security taxes (4.2.11)
3.2.9 Social security benefits (4.2.20)	3.2.17 Other direct taxes on income
3.2.2 Current transfers n.e.c., to other sectors	3.2.18 Current transfers n.e.c., from other sectors
3.2.4 Saving (3.4.4)	(i) from internal sources
	(ii) from the rest of the world

Disposal of current revenue

Current revenue

/Account 4.

Account 4. Capital finance account

3.4.1 Gross domestic fixed capital formation (3.1*)	3.4.4 Saving (3.2.4)
3.4.2 Increase in stocks (3.2*)	3.4.5 Provisions for fixed capital consumption (4.2*)
3.4.3 Net purchases of land	3.4.6 Capital transfers from other sectors, net
	3.4.7 Net borrowing
Gross investment	Finance of gross investment
3.4.25 Net borrowing	3.4.32 Foreign liabilities
3.4.8 Gold and foreign exchange	3.4.45 Other deposits (3.4.13* + 4.4.13)
3.4.9 Other foreign financial assets	3.4.46 Central government obligations
3.4.23 Currency and transferable deposits of central government (2.4.35*)	3.4.47 Counterpart of transfer of central government's currency issue functions (2.4.15)
3.4.24 Currency and transferable deposits of local government (2.4.35*)	3.4.48 Local government obligations
3.4.13 Other deposits (2.4.36* + 3.4.45)	3.4.43 Other domestic liabilities
3.4.14 Central government obligations (3.4.46*)	
3.4.25 Counterpart of transfer of central governments' gold and foreign exchange holdings (2.4.37)	
3.4.26 Local government obligations (3.4.48*)	
3.4.27 Corporate debt equity securities, including capital participations (1.4.38* + 2.4.38*)	
3.4.28 Net investment in government enterprises (1.4.41)	
3.4.19 Other domestic financial assets	
Net acquisition of financial assets plus net borrowing	Net incurrence of liabilities

Sector 4. Households, including Selected Unincorporated Private Non-Financial Enterprises, and Private Non-Profit Institutions serving Households

Account 2. Income and outlay account

4.2.5 Consumption expenditure (2.1)	4.2.19 Operating surplus (2.4*)
4.2.9 Interest on consumers' debt	4.2.1 Compensation of employees (2.4* + 2.5)
4.2.10 Other property income paid	4.2.14 Income from property and entrepreneurship of quasi-corporate enterprises
4.2.11 Social security taxes (3.2.16)	4.2.20 Social security benefits (3.2.9)
4.2.3 Other direct taxes on income (3.2.17*)	4.2.18 Current transfers n.e.c.
4.2.2 Current transfers n.e.c.	
4.2.4 Saving (4.4.4)	
Disbursements	Receipts

## Account 4. Capital finance account

4.4.1 Gross domestic fixed capital formation (3.1*)	4.4.4 Saving (4.2.4)
4.4.2 Increase in stocks (3.2*)	4.4.5 Provisions for the consumption of fixed capital (4.2*)
4.4.3 Net purchases of land	4.4.6 Capital transfers received, net
	4.4.7 Net borrowing (4.4.25)
Gross investment	Finance of gross investment
4.4.25 Net borrowing (4.4.7)	4.4.32 Foreign liabilities
4.4.8 Gold and foreign exchange	4.4.44 Consumer credit (1.4.18 + 2.4.18)
4.4.9 Other foreign financial assets	4.4.42 Other domestic liabilities
4.4.10 Currency and transferable deposits (2.4.35*)	
4.4.13 Other deposits (2.4.36* + 3.4.45*)	
4.4.14 Central government obligations (3.4.46*)	
4.4.16 Local government obligations (3.4.48*)	
4.4.17 Corporate debt and equity securities, including capital participation (1.4.38* + 2.4.38*)	
4.4.30 Net equity of household on life insurance actuarial reserves and on pension and similar funds (2.4.40)	
4.4.31 Proprietors' net investment in quasi-corporate private enterprises (1.4.39 + 2.4.39)	
4.4.19 Other domestic financial assets	
Net acquisition of financial assets plus net borrowing	Net incurrence of liabilities

## D. ACCOUNTS FOR SPECIAL SEGMENTS

## 1. Traditional rural segment(s)

## Account 1. Production Account - Commodities

9.1.13 Primary products of agriculture, forestry and fishing produced in segment	9.1.17 Purchases for intermediate consumption (9.1.11)
9.1.14 Primary products of other industries produced in segment	9.1.15 Consumers' goods and services
9.1.10 Purchases of goods and non-factor services outside the segment (9.5.6)	9.1.7 Gross fixed capital formation (9.4.1)
	9.1.8 Increase in stocks (9.4.2)
	9.1.9 Sales of goods and non-factor services outside the segment (9.5.1)
Total supply	Total use

/Account 1.

## Account 1. Production account - Industries

9.1.18 Purchases for intermediate consumption (9.1.17)	9.1.20 Gross value of commodities produced and used on own account
9.1.3 Indirect taxes, net (9.5.15)	9.1.21 Gross value of commodities produced and exchanged
9.1.1 Compensation of employees (9.2.19*)	
9.1.2 Provisions for the consumption of fixed capital (9.2.15)	
9.1.19 Operating surplus (9.2.16)	
Gross input	Gross output

## Account 2. Income and outlay account

9.2.5 Private consumption expenditure	9.2.15 Provisions for the consumption of fixed capital (9.1.2)
(i) Consumption of own produced products	9.2.16 Operating surplus (9.1.19)
(ii) Consumption of purchased products	9.2.19 Compensation of employees (9.1.1 + 9.5.2)
9.2.3 Direct taxes paid (9.5.14)	9.2.18 Transfers n.e.c. received, net (9.5.4)
9.2.9 Property income paid	9.2.13 Income from property received
(i) in kind	
(ii) in money	
9.2.4 Saving (9.4.5)	
9.2.25 Provisions for the consumption of fixed capital (9.4.6)	
Disbursements	Receipts

## Account 4. Capital finance account

9.4.1 Gross domestic fixed capital formation (9.1.7)	9.4.5 Saving (9.2.4)
(i) On own account	9.4.6 Provisions for the consumption of fixed capital (9.2.25)
(ii) Purchased	9.4.7 Capital transfers, net (9.5.10)
9.4.2 Increase in stocks (9.1.8)	9.4.4 Net borrowing from outside segment (9.5.11)
(i) From own account production	
(ii) From purchases	
Gross investment	Finance of gross investment

## Account 5. External transactions of traditional rural segment

9.5.1 Sales of goods and non-factor services outside the segment (9.1.19*)	9.5.6 Purchases of goods and non-factor services outside the segment (9.1.10)
9.5.2 Compensation of employees from outside the segment (9.2.19*)	9.5.8 Property income paid outside the segment, net
9.5.4 Current transfers from outside the segment, net (9.2.18)	9.5.14 Direct taxes (9.2.3)
9.5.10 Capital transfers from outside the segment, net (9.4.7)	9.5.15 Indirect taxes, net (9.1.3)
9.5.11 Net borrowing from outside the segment, (9.4.4)	
Receipts	Disbursements

## 2. Key Segment(s) of the Economy

### Account 1. Production account - Commodities

10.1.13 Primary products of key domestic industry(ies) (10.1.20)	10.1.17 Intermediate consumption
10.1.14 Production of the products by other domestic industries	10.1.15 Consumers' goods and services
10.1.11 Competitive imports	10.1.16 General government activities
	10.1.7 Gross domestic fixed capital formation
	10.1.8 Increases in stocks
	10.1.9 Exports
Total supply	Total use

### Account 1. Production account - Industries

10.1.18 Intermediate consumption	10.1.20 Primary products of key domestic industry(ies) (10.1.13)
10.1.6 Indirect taxes	10.1.21 Other products of the enterprises included in key segment(s)
10.1.4 Less Subsidies	
10.1.1 Compensation of employees	
10.1.2 Provisions for consumption of fixed capital (10.4.5)	
10.1.19 Operating surplus (10.2.19)	
Gross input	Gross output

### Account 3. Capital expenditure account

10.3.11 Gross domestic fixed capital formation in key industry(ies) (10.4.1*)	10.3.3 Provisions for consumption of fixed capital (10.1.2)
10.3.12 Gross domestic fixed capital formation in other industries of the enterprises included in the key segment(s) (10.4.1*)	10.3.4 Net capital formation
10.3.21 Increase in stocks in key industry(ies) (10.4.2*)	
10.3.22 Increase in stocks, in other industries of the enterprises included in the key segment(s) (10.4.2*)	

#### a. Corporate and Quasi-corporate Enterprises Included in Key Segment(s)

### Account 2. Income and outlay account

10.2.1 Property and entrepreneurial income paid	10.2.19 Operating surplus (10.1.19*)
10.2.2 Current transfers n.e.c.	10.2.13 Income from property
10.2.3 Direct taxes on income	
10.2.4 Saving (10.4.4)	
Disbursements	Receipts

Account 4. Capital finance account

10.4.1 Gross domestic fixed capital formation (10.3.11* + 10.3.12*)	10.4.4 Saving (10.2.4)
10.4.2 Increase in stocks (10.3.21* + 10.3.22*)	10.4.5 Provisions for the consumption of fixed capital (10.1.2*)
10.4.3 Net purchase of land	10.4.6 Capital transfers received, net
	10.4.7 Net borrowing (10.4.25)
Gross investment	Finance of gross investment
10.4.25 Net borrowing (10.4.7)	10.4.32 Foreign liabilities
10.4.8 Gold and foreign exchange	10.4.38 Corporate debt and equity securities, including capital participations
10.4.9 Other foreign financial assets	10.4.39 Proprietor's net investment in quasi-corporate private enterprises
10.4.10 Currency and transferable deposits	10.4.41 Net investment in government enterprises
10.4.13 Other deposits	10.4.42 Other domestic liabilities
10.4.14 Central government obligations	
10.4.16 Local government obligations	
10.4.17 Corporate debt and equity securities, including capital participation	
10.4.19 Other domestic financial assets	
Net acquisition of financial assets plus net borrowing	Net incurrence of liabilities

b. Households of Proprietors of Other Unincorporated Enterprises  
Included in Key Segment, Including These Enterprises

Account 2. Income and outlay account

10.2.5 Private consumption expenditure	10.2.19 Operating surplus (10.1.19*)
10.2.9 Interest on consumer's debt	10.2.1 Compensation of employees
10.2.10 Other property income paid	10.2.14 Income from property and entrepreneurship of quasi-corporate enterprises
10.2.11 Social security taxes	10.2.20 Social security benefits
10.2.3 Other direct taxes on income	10.2.18 Current transfers, n.e.c.
10.2.2 Current transfers n.e.c.	
10.2.4 Saving (10.4.4)	
Disbursements	Receipts

Account 4. Capital finance account

10.4.1 Gross domestic fixed capital formation (10.3.11* + 10.3.12*)	10.4.4 Saving (10.2.4)
10.4.2 Increase in stocks (10.3.21* + 10.3.22*)	10.4.5 Provisions for the consumption of fixed capital (10.1.2*)
10.4.3 Net purchase of land	10.4.6 Capital transfers received, net
	10.4.7 Net borrowing (10.4.25)
Gross investment	Finance of gross investment

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10.4.25 Net borrowing (10.4.7)	10.4.32 Foreign liabilities
10.4.8 Gold and foreign exchange	10.4.44 Consumer credit
10.4.9 Other foreign financial assets	10.4.42 Other domestic liabilities
10.4.10 Currency and transferable deposits	
10.4.13 Other deposits	
10.4.14 Central government obligations	
10.4.16 Local government obligations	
10.4.17 Corporate debt and equity securities, including capital participation	
10.4.30 Net equity of households on life insurance actuarial reserves and on pension and similar funds	
10.4.31 Proprietors' net investment in quasi-corporate private enterprises	
10.4.19 Other domestic financial assets	

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Net acquisition of financial assets  
plus net borrowing

Net incurrence of liabilities



ANNEX II. TABLES AND PRIORITIES

<u>Table</u>	<u>Priorities</u>
1 A. Gross Domestic Product and Factor Incomes Originating, According to Kind of Economic Activity	
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b. Private and c. Public	III
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TablePriorities

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/Table I A.

Table 1 A.

GROSS DOMESTIC PRODUCT AND FACTOR INCOME ORIGINATING,  
BY KIND OF ECONOMIC ACTIVITY

Kind of economic activity <sup>1/</sup>		Gross domestic product at market prices	Indirect taxes less subsidies	Compensation of employees	Provisions for the consumption of fixed capital	Operating surplus
Condensed list	More detailed list- <u>ISIC</u> major group or <u>ISIC</u> group					
(1a)	(1b)					
a. Total economy						
1. Agriculture, forestry, hunting and fishing	01;02;03-04					
2. Mining and quarrying Manufacturing	11;12;13;14 and 19					
3. Food, beverages and tobacco	20 and 214; 211-213; and 22.					
4. Textiles, wearing apparel and leather products	23;241-242; 243-244;29					
5. Wood products and furniture	25;26					
6. Paper, paper product, printing and publishing	27;28					
7. Chemicals and chemical, petroleum, coal, rubber and plastic products	31;32;30 and 399					
8. Non-metallic mineral products	331;334 and 339;332-333					
9. Basic metal industries	341;342.					

Table 1A. (Cont.)

Table 1A. (Cont.)

(1a)	(1b)	(2)	(3)	(4)	(5)	(6)
10. Metal products	35;36;37;38; 391-395					
11. Construction	40 and significant own-account construction					
12. Electricity, gas steam and water supply	511;512-513; 521					
13. Wholesale and retail trade	61					
14. Transport, storage and communication	71 and 72;73					
15. Services	62 and 63;64; 81;821 and 823;822; 825;824 and 826-829;83 84;852-853; 851 and 854- 859					

Import duties

Total

## b. Private establishments or similar units

The appropriate portions of the same  
classification as under "a. Total economy"  
excluding "import duties"

## c. Public establishments and similar units

The same classification as under  
"a. Total economy" excluding "Import duties"

1/ Where appropriate, the industrial categories would be sub-divided  
into modern and traditional type establishments.

/Table 1B.

Table 1B.

GROSS DOMESTIC PRODUCT AT CONSTANT PRICES,  
BY KIND OF ECONOMIC ACTIVITY

Kind of economic activity <sup>1/</sup>		Gross Domestic Product at Constant Prices		
Condensed list  (1a)	More detailed list  (1b)	All establish- ments and similar units (2)	Private establish- ments and similar units (3)	Public establish- ments and similar units (4)
As in 1Aa				

<sup>1/</sup> Where appropriate, the industrial categories would be sub-divided into modern and traditional type establishments.

Table 2.

## EMPLOYMENT ACCORDING TO KIND OF ECONOMIC ACTIVITY

Kind of economic activity <sup>1/</sup>		Total	Own account workers	Unpaid family workers	Employers	Employed
Condensed list	More detailed list- ISIC major group or ISIC group					
(1a)	(1b)	(2)	(3)	(4)	(5)	(6)
a. Total economy						
1. Agriculture, forestry, hunting and fishing	01;02;03-04					
2. Mining and quarrying	11;12;13;14 and 19					
Manufacturing						
3. Food, beverages and tobacco	20 and 214 211-213; and 22					
4. Textiles, wearing apparel and leather products	23,241,242 243-244;29					
5. Wood products and furniture	25;26					
6. Paper, paper products, printing and publishing	27;28					
7. Chemicals and chemical, petroleum, coal, rubber and plastic products	31;32;30 and 399					
8. Non-metallic mineral products	331;334 and 339;332-333.					
9. Basic metal industries	341;342.					
10. Metal products	35;36;37;38; 391-395.					
11. Construction	30 and significant own-account construction.					
12. Electricity, gas, steam and water supply	511;512-513;521					

/ Table 2.(Cont.)

Table 2. (Cont.)

(1a)	(1b)	(2)	(3)	(4)	(5)	(6)
13. Wholesale and retail trade	61					
14. Transport, storage and communication	71 and 72;73					
15. Services	62 and 63;64;81 821 and 823;822 825;824 and 826- 829;83;84;852- 853;851 and 854- 859					
Total						
b. Private establishments or similar units						
The same classification as under "a. Total economy"						
c. Public establishments or similar units						
The appropriate portions of the same classification as under "a. Total economy"						

1/ Where appropriate the industrial categories would be sub-divided into modern and traditional type establishments.

Table 3 A.

GROSS OUTPUT FOR OWN USE AND FOR EXCHANGE

1. Gross value of production for own final consumption
2. Gross value of production for own use by units not principally engaged in transactions in the market
3. Fixed capital formation
4. Increase in stocks
5. Gross value of production for exchange
6. Gross value of production for own use by enterprises principally engaged in transactions in the market
7. Fixed capital formation
8. Increase in stocks
9. Value added by general government
10. Value added by private non-profit institutions and domestic service
11. Gross output of goods and non-factor services

/ Table 3B.

Table 3B

DEMAND AND SUPPLY, GOODS AND NON-FACTOR SERVICES <sup>1/</sup>

Commodities classified according to industry of primary production	Demand (at market prices)						Supply					
	Intermediate consumption	Private Consumption expenditure	General government consumption expenditure	Fixed capital formation	Increases in stock	Exports (f.o.b.)	Total demand and supply (at market prices)	Imports (c.i.f.)	Domestic production			
									In imports		In domestic products	
									Customs duties	Transport and distribution margins and commodity taxes	At producer prices	Transport and distribution margins and commodity taxes
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
a. Industries												
Agriculture Forestry and logging (Primary products of more detailed industrial classification, as shown in Table 1A except for services, and omission entirely of wholesale and retail trade-i.e., distribution) 2/												
b. Domestic service, private non-profit institutions and general government												
Compensation of employees 3/		x	x									x
Provisions for consumption of fixed capital 3/		x	x									x
c. Total												
Total												

<sup>1/</sup> This table is designed to be an adaptation of Table 3C. Commodity Demands and Supply for use during the first and second orders of priority only in compiling the accounts and tables of the system.

<sup>2/</sup> The entries on the line for transport, storage and communication relate to the transportation of passengers only in the case of transport.

<sup>3/</sup> Entries would appear in the cells identified by "X" only.



Table 30.

COMMODITY DEMANDS AND SUPPLIES

		1	2	...	n
Commodity demands	Industries				
	Consumers' goods and services				
	Government purposes				
	Additions to stocks by industries				
	Fixed capital formation by industries				
	Capital formation by private non-profit organizations				
	Capital formation by general government				
	Exports				
Commodity supplies	Agriculture		1		
	Forestry and logging		2		
	(More detailed industrial classification of industries as shown in Table 1A, except for Services)		.		
	.		.		
	.		.		
	.		.		
	Services - industries		m		
	Customs duties				
	Imports				

Notes: See Table 3. Commodity Demands and Supply, pp. 170-171, E/CN.3/320.

Table 4

OUTPUTS AND INPUTS OF INDUSTRIES

		1	2	...	M
Outputs of industries	Outputs ex commodity taxes				
	Commodity taxes on outputs				
Inputs into industries	Products of agriculture		1		
	Products of forestry and logging		2		
	(Primary products of more detailed industrial classification of industries, as shown in Table 1A, except for Services)		.		
	.		.		
	Service products	M			
	Complementary import(1)	M	+	1	
	.		.		
	.		.		

/Table 4 (Cont.)

Table 4 (Cont. )

Inputs into industries	.
	.
	.
	Complementary import (n-m) N
	Commodity taxes on inputs
	Compensation of employees
	Operating surplus
	Provisions for the c. of t. c.
	Indirect taxes (net)

Notes: Table 4. Outputs and Inputs of Branches of Production, pp. 172-173, E/CN.3/320.

Table 5

THE GROSS DOMESTIC PRODUCT IN CONSTANT PRICES ACCORDING  
TO TYPE OF EXPENDITURE AND THE CORRELATIVE PRICES  
INDEXES

Item (1)	Value in constant prices (2)	Price index numbers (3)
1. Private consumption expenditure		
2. General government consumption expenditure		
3. Gross fixed capital formation		
4. Increase in stocks		
5. Consumption and gross capital formation		
6. Exports of goods and non-factor services		
7. Less Imports of goods and non-factor services		
8. Gross domestic product at market prices		

Table 6A

## COMPOSITION OF PRIVATE CONSUMPTION EXPENDITURE

a. By type of expenditure	
1.	Consumption expenditure by households in the domestic market
2.	Durable goods
3.	Non-durable goods
4.	Services other than domestic services
5.	Domestic service
6.	Consumption expenditure by private non-profit institution serving households
7.	Compensation of employees
8.	Provision for consumption of fixed capital
9.	Purchases from enterprises and the rest of the world
10.	Non-durable goods
11.	Non-factor services
12.	Less purchases by households from private non-profit institutions serving households
13.	Less value of gifts in kind sent abroad, net
14.	Less expenditure in the country by non-residents
15.	Plus expenditure abroad by residents
16.	Consumption expenditure of households and private non-profit institutions serving households
b. Private consumption expenditure in domestic market <sup>1/</sup> by object	
Condensed classification	More detailed classification
1. Food, beverages and tobacco	Food and non-alcoholic beverages; Alcoholic beverages; Tobacco
2. Clothing; footwear and accessories	
3. Gross rent, fuel and light	Gross rent and water charges; Fuel and light
4. Furniture, furnishings, and household equipment and operations	Furniture and furnishings; Household equipment; Household operations
5. Medical care and health expenses	
6. Transport and communication	Personal transport equipment; Purchased-transport and communication
7. Recreation, entertainment and education	Equipment and accessories; Entertainment and recreational services; Books, newspapers and magazines; Education research and cultural services
8. Other goods and services	Personal care and effects and other goods, n.e.c.; Restaurants, cafés and hotels; Financial services; Religious and welfare services; Other services n.e.c.

<sup>1/</sup> Including value of gifts in kind sent abroad.

/Table 6B

Table 6B

## COMPOSITION OF PRIVATE CONSUMPTION EXPENDITURE AT CONSTANT PRICES

a. By type of expenditure	
1. Private consumption expenditure in the domestic market	
2. Durable goods	
3. Non-durable goods	
4. Services	
5. Consumption expenditure of households and private non-profit institutions serving households	
b. Private consumption expenditure in domestic market <u>1/</u> by object	
Condensed classification	More detailed classification
1. Food, beverages and tobacco	Food and non-alcoholic beverages; Alcoholic beverages; Tobacco
2. Clothing; footwear and accessories	
3. Gross rent, fuel and light	Gross rent and water charges; Fuel and light
4. Furniture, furnishings, and household equipment and operations	Furniture and furnishings; Household equipment; Household operations
5. Medical care and health expenses	
6. Transport and communication	Personal transport equipment; Purchased transport and communication
7. Recreation, entertainment and education	Equipment and accessories; Entertainment and recreational services; Books, newspapers and magazines; Education research and cultural services
8. Other goods and services	Personal care and effects and other goods, n.e.c.; Restaurants, cafés and hotels; Financial services; Religious and welfare services; Other saving n.e.c.

1/ Including value of gifts in kind sent abroad.

Table 7A

GENERAL GOVERNMENT CONSUMPTION EXPENDITURE ACCORDING  
TO TYPE AND PURPOSE OF EXPENDITURE

Purpose of expenditure	Compensation of employees	Provisions for the consumption of fixed capital	Purchases from enterprises and the rest of the world	Less purchases by households and enterprises	Consumption expenditure
(1)	(2)	(3)	(4)	(5)	(6)
1. Public administration and defense					
Social and community services					
2. Education					
3. Health and special welfare services					
4. Social security					
5. Sanitary and water services and fire protection					
6. Housing and other social and community services n.e.c.					
Economic Services					
7. Transportation and communications					
8. Other economic services					
9. Total					

Table 7B  
SELECTED OUTLAYS OF GENERAL GOVERNMENT ACCORDING TO PURPOSE

Purpose of outlay		Consumption expenditure	Current transfers and subsidies	Gross domestic capital formation	Capital transfers
Condensed classification	More detailed classification				
(1a)	(1b)	(2)	(3)	(4)	(5)
1. Public administration and defense Social and Community Services	General administration; Justice and police; Defense				
2. Education	Academic and technical education; Adult Education; Libraries and museums				
3. Health and special welfare services	National health schemes, general administration and research, n.e.c., under class 3				
4. Social security	Hospitals and clinics; Individual health services; Special welfare services				
5. Sanitary and water services and fire protection	Sanitary services; Water supply; Fire protection				
6. Housing and community and social services					
7. Other community and social service	Recreational and cultural services; Religion and services, n.e.c.				
Economic Services					
8. Agriculture, forestry and fisheries	Agriculture; Forestry; Fishing and hunting				
9. Minerals, manufacturing and public utilities	Mining; manufacturing; Electricity, gas and steam				
10. Transportation and com- munications	Railways; Highways, roads and streets Waterways and water transport; Other transport and warehousing; Communi- cations				
11. Other economic services	Trade; Finance; Research and scientific services, n.e.c.; Other economic services, n.e.c.				

Table 8A

GROSS DOMESTIC FIXED CAPITAL FORMATION ACCORDING  
TO TYPE OF CAPITAL GOODS

1. Dwellings
2. Non-residential buildings
3. Land improvement 1/
4. Other construction and works
5. Transportation equipment
6. Machinery and equipment
7. Gross domestic fixed capital formation

1/ Includes transfer costs in connexion with transaction in land

Table 8B

GROSS DOMESTIC FIXED CAPITAL FORMATION BY KIND OF ECONOMIC  
ACTIVITY AND ORGANIZATION OF PURCHASER

Kind of economic activity <u>1/</u>				
Condensed list  (1a)	More detailed list ISIC major group or ISIC group  (1b)	Total gross fixed capital formation (2)	Gross fixed capital formation of private esta- blishments or si- milar units (3)	Gross fixed capital forma- tion of public establishments or similar units (4)
1. Agriculture, forestry, hunting and fishing	01;02;03-04			
2. Mining and quarrying	11;12;13;14 and 19			
Manufacturing				
3. Food, beverages and tobacco	20 and 214,211- 213 and 22			
4. Textiles, wearing apparel and leather products	23,241-242;243- 244;29			
5. Wood, products and furniture	25;26			
6. Paper, paper products, printing and publishing	27;28			
7. Chemicals and chemical, petroleum, coal, rubber and plastic products	31;32;30 and 399			
8. Non-metallic mineral products	331;334 and 339; 332-333			
9. Basic metal industrial	341;342			

/Table 8B (Cont.)

Table 8B. (Cont.)

(1a)	(1b)	(2)	(3)	(4)
10. Metal products	35;36;37;38;391-395			
11. Construction	40 and significant own-account construction			
12. Electricity, gas, steam and water supply	511,512-513;521			
13. Wholesale and retail trade	61			
14. Transport, storage and communication	71 and 72;73			
15. Services	62 and 63;64;81 821;and 823;822 825;824 and 826 829;522;84;83 852-853;851 + 854-859			

1/ Where appropriate, the industrial categories would be sub-divided into modern and traditional-type establishments.

Table 8C

GROSS DOMESTIC FIXED CAPITAL FORMATION AT CONSTANT PRICES ACCORDING TO TYPE OF CAPITAL GOODS

As in Table 8A

Table 8D

GROSS DOMESTIC FIXED CAPITAL FORMATION AT CONSTANT PRICES ACCORDING TO KIND OF ECONOMIC ACTIVITY AND ORGANIZATION OF PURCHASER

As in Table 8B



Table 9

NATIONAL INCOME AND ITS DISTRIBUTION

<u>a. National income at market prices</u>	
1.	Domestic factor incomes
2.	<u>Less</u> Compensation of employees to the rest of the world
3.	<u>Less</u> Property income to the rest of the world
4.	Compensation of employees from the rest of the world
5.	Property income from the rest of the world
6.	Indirect taxes
7.	<u>Less</u> subsidies
8.	National income at market prices
<u>b. Distribution before transfers of national income at market prices</u>	
1.	Wages and salaries
2.	Pay and allowance of members of armed services
3.	<u>Employers' contributions to social security and pension funds</u>
4.	<u>Compensation of employees</u>
5.	<u>Income from property and entrepreneurship of households and private non-profit institutions serving households, net</u>
6.	<u>Income from property and entrepreneurship of incorporated private enterprises, net</u>
7.	Non-financial enterprises
8.	Financial enterprises
9.	<u>Private income from property and entrepreneurship, net</u>
10.	<u>Private income before transfers</u>
11.	<u>Income from property and entrepreneurship of general government, net</u>
12.	<u>Income from property and entrepreneurship of incorporated public enterprises, net</u>
13.	<u>Public income from property and entrepreneurship, net</u>
14.	<u>Indirect taxes less subsidies</u>
15.	<u>Public income before transfers</u>
16.	<u>National income at market prices</u>

Table 10A

INCOME AND OUTLAY OF THE DETAILED SECTORS OF GENERAL GOVERNMENT

Type of transaction  (1)	Central government including social security schemes  (2)	Local government  (3)
1. Income from property and entrepreneurship		
2. Indirect taxes		
3. Social security taxes		
4. Other direct taxes on income		
5. From households		
6. From corporate and quasi-corporate enterprises		
7. Current transfers, n.e.c. from other sectors		
8. From domestic sectors other than general government		
9. From the rest of the world		
10. Current transfers from other sub-sectors of general government		
11. Current Revenue		
12. Consumption expenditure		
13. Interest on public debt		
14. Paid to residents		
15. Paid to non-residents		
16. Subsidies		
17. Social security benefits		
18. Current transfers, n.e.c. to other sectors		
19. Current transfers to other sub-sectors of general government		
20. Current expenditure		
21. Saving (11-20)		

Table 10B

## CURRENT RECEIPTS AND DISBURSEMENTS OF DIFFERENT TYPES OF HOUSEHOLDS

Type of transaction (1)	Households of proprietors of unincorporated enter- prises		Other households	
	Agriculture (2)	Other (3)	Headed by employees (4)	Headed by persons in other status (5)
Number of households				
1. Operating surplus				
2. Compensation of employees				
3. Income from property and entre- preneurship of quasi-corporate enterprises				
4. Social security benefits received				
5. Current transfers n.e.c. received				
6. Current receipts				
7. Consumption expenditure				
8. Interest on consumers' debt				
9. Other property income paid				
10. Social security taxes				
11. Other direct taxes on income				
12. Current transfers n.e.c. made				
13. Current disbursements				
14. Saving (6-13)				

Table 11A  
CAPITAL TRANSACTIONS OF THE DETAILED SECTORS

Type of transactions	Non-financial enterprises corporate and quasi-corporated <sup>1/</sup>		Financial enterprises <sup>1/</sup>								General government	Households and private non-profit institutions serving households
			Monetary authority	Other monetary institutions	Insurance funds and pension schemes	Other financial enterprises	Central government including social security schemes	Local government				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(The term, Private, would appear in columns 2,5,7 and 9 and the term, Public, would appear in Columns 3,6,8 and 10)												
1. Gross domestic fixed capital formation												
2. Increase in stocks												
3. Net purchases of land												
4. Gross investment												
5. Saving <sup>1/</sup>												
6. Provisions for the consumption of fixed capital												
7. Capital transfers received, net <sup>1/</sup>												
8. Net borrowing (4-5-6-7) or (10-24)												
9. Gold and foreign exchange												
10. Other foreign financial assets <sup>2/</sup>												
11. Currency and transferable deposits												
12. Other deposits												
13. Central government obligations												
14. Counterpart of transfer of central government's currency issue functions												

/Table 11A (Cont.)

Table 11A (Cont.)

Type of transaction	2	3	4	5	6	7	8	9	10	11	12	13
15. Counterpart of transfer of central government's gold and foreign exchange holdings												
16. Local government obligations												
17. Corporate debt and equity securities, including capital participations												
18. Consumer credit												
19. Mortgages												
20. Other loans and advances												
21. Net equity of households on life insurance actuarial reserves and pension and similar funds												
22. Proprietors' net investment in quasi-corporate enterprise												
23. Other domestic financial assets												
24. Net acquisition of financial assets												
25. Currency and transferable deposits of non-residents												
26. Other foreign liabilities <sup>2/</sup>												
Items 27-38 as in Items 11-22 above												
39. Other domestic liabilities												
40. Net incurrence of liabilities												

1/ Saving and capital transfers relate to incorporated enterprises only.

2/ To the extent that it is feasible, it would be desirable to sub-divide the entries, "Other foreign financial assets and liabilities", in the same fashion, where applicable, as domestic financial assets and liabilities.

/Table 11B.

Table 11B

CAPITAL TRANSACTION OF THE PRIVATE AND PUBLIC SECTOR 1/

Type of transaction (1)	Private sectors (2)	Public sectors (3)
1. Gross domestic fixed capital formation		
2. Increase in stocks		
3. Net purchases of land		
4. Gross investment		
5. Saving <u>1/</u>		
6. Provisions for consumption of fixed capital		
7. Capital transfers received, net <u>1/</u>		
8. Net borrowing (4-5-6-7) or (38-24)		
9. Gold and foreign exchange		
10. Other foreign financial assets <u>2/</u>		
11. Currency and transferable deposits of:		
12. Monetary system		
13. Central government		
14. Others		
15. Other deposits		
16. Central government obligations		
17. Local government obligations		
18. Corporate debt equity securities, including capital participation		
19. Consumer credit		
20. Mortgages		
21. Other loans and advances made		
22. Net equity of households on life insurance actuarial reserves and on pension and similar funds		
23. Other domestic financial assets		
24. Net acquisition of financial assets		
25. Currency and transferable deposits of non-residents		
26. Other foreign liabilities <u>2/</u>		
27. Currency and transferable deposits of residents		
Items 28-33 as in Items 15-20 above		
34. Other loans and advances received:		
35. By monetary system		
36. By other sectors		
37. Other domestic liabilities		
38. Net incurrence of liabilities		

- 1/ Entries have been eliminated for selected book transactions - namely for transfers between the central government and the monetary authority of currency issue functions and holdings of gold and foreign exchange and investment in quasi-corporate enterprises.
- 2/ To the extent that it is feasible, it would be desirable to subdivide the entries. Other foreign financial assets and liabilities in the same fashion, where applicable, as domestic financial assets and liabilities.

/Table 11C.

Table 11C  
CAPITAL TRANSACTIONS OF THE MONETARY SECTOR, CONSOLIDATED

Type of transaction
1. Gross fixed capital formation
2. Increase in stocks
3. Net purchases of land
4. Gross investment
5. Saving
6. Provisions for the consumption of fixed capital
7. Capital transfers received, net
8. Net borrowing (4-5-6-7) or (35-36)
9. Gold and foreign exchange
10. Other foreign financial assets
11. Central government obligations
12. Bills and bonds maturing in less than one year
13. Other bonds
14. Loans and advances
15. Counterparts of transfer of central government's currency issue function
16. Local government obligations
17. Bills and bonds maturing in less than one year
18. Other bonds
19. Loans and advances
20. Corporate debt and equity securities including capital participation <u>1/</u>
21. Consumer credits
22. Other loans and advances
23. Short-term
24. Long-term
25. Other domestic financial assets
26. Net acquisition of financial assets
27. Currency and transferable deposits of non-residents
28. Other foreign liabilities
29. Currency and transferable deposits of:
30. Central government
31. Other sectors
32. Other deposits
33. Counterparts of transfer of central governments' gold and foreign exchange holdings
34. Corporate debt and equity securities, including capital participations <u>1/</u>
35. Other domestic liabilities
36. Net incurrence of liabilities
<u>1/</u> Liabilities are not netted against financial assets in the case of corporate debts and equity securities - i.e., consolidation of monetary sector is not utilized.

ANNEX III. PAPERS PERTINENT TO NATIONAL ACCOUNTING  
FOR DEVELOPING COUNTRIES

Adaptation of the Proposed SNA for African Countries,  
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Some Problems of National Accounts Estimation in African Countries.  
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An Intermediate System of National Accounts for Use in Africa: Proposals  
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Report of the Working Group on the Adaptation of the United Nations System  
of National Accounts for Use in Africa, E/CN.14/221/Rev.1.

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Report of the Seminar on National Accounts, ECAFE, E/CN.11/ASTAT/Conf.6/L.1.

Sources and Methods of Estimation of National Accounts in ECAFE Countries,  
E/CN.11/ASTAT/NA/L.2.

National Accounting Design in Countries of the ECAFE region,  
E/CN.11/ASTAT/NA/L.3.

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E/CN.11/ASTAT/NA/L.5.

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Latina, ST/TAO/SER.C./44.

Report of the Working Group on National Accounts and Balances,  
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ANNEX IV. PERTINENT SYSTEMS OF CLASSIFICATION REFERRED TO IN THIS PAPER

Classification of Commodities by Industrial Origin; Relationship of the Standard International Trade Classification to the International Standard Industrial Classification, (Report by the Secretary General to the 13th session of the Statistical Commission)

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Standard International Trade Classification Revised, Series M. No. 34.

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